



U.S. Immigration
and Customs
Enforcement

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News Release

BELARUS COMPANY EXECUTIVES EXTRADITED FROM FRANCE TO FACE CHARGES IN GLOBAL INTERNET CHILD PORN CASE

-- More than 1,000 people arrested worldwide in ICE-led investigation--

NEWARK, N.J. – The president and marketing director of a Belarus-based Internet billing company linked to more than 1,000 child pornography arrests worldwide have been extradited from France to face money laundering and child pornography charges in the United States.

Yahor Zalatarou, 26, and Alexei Buchnev, 27, both of Minsk, Belarus, are the president and marketing director, respectively, of Regpay Co. LTD., an Internet billing company. Zalatarou and Buchnev were arraigned in federal court in Newark on January 6 after their arrival from France. They were ordered held pending trial, which is scheduled for March 1. The arrest of the pair in France in July 2003 was part of the first phase of an ICE case known as the Falcon investigation.

The first phase of the Falcon investigation focused on Regpay, which provided billing services for 50 child pornography websites and operated a number of child pornography websites on its own. The investigation also focused on Connections USA, of Ft. Lauderdale, Fla., another credit card processing company. Connections USA and two of its officers have already pleaded guilty in cooperating plea agreements with the government. The president of Connections USA, Arthur Levinson, was charged with money laundering offenses and will be tried in March as well.

The second phase of the investigation is ongoing and focuses on thousands of people around the globe who purchased child pornography subscriptions from the Regpay sites. To date, ICE agents have arrested 190 individuals in the United States in connection with the case. ICE has also provided leads to foreign law enforcement that have resulted in approximately 860 arrests in Australia, Denmark, Finland, France, China, Norway, Scotland, Spain, Sweden, Switzerland, and the United Kingdom.

Some of the subscribers arrested to date include a California 7th grade teacher, the chief of pediatric medicine at a New York hospital, a minister at an all-girls school in New Jersey, a Louisiana Catholic priest, a Nevada camp counselor, a Buffalo police officer, a New Jersey Boy Scout volunteer, and a Chicago school principal. Most recently, an award-winning fire fighter in California was charged with 56 counts of possessing child pornography purchased from Regpay-affiliated sites.

Zalatarou and Buchnev were arrested at a Paris hotel restaurant on July 30, 2003, after they were persuaded to travel to France in a ruse arranged by ICE agents investigating them and Regpay's international child pornography operation.

The defendants had been in custody in Paris since their arrest and were fighting extradition until a French court ruled in favor of sending them to the United States. Zalatarou and Buchnev arrived at Newark Liberty International Airport Jan. 5 and were brought to court the following day.

Zalatarou is charged with conspiracy to advertise child pornography, conspiracy to transport and ship by computer visual depictions of minors engaging in sexually explicit conduct, conspiracy to commit money laundering, conspiracy to engage in financial transactions in amounts exceeding \$10,000 which were the proceeds of a specified unlawful activity.

Buchnev is charged with conspiracy to transport and ship by computer visual depictions of minors engaging in sexually explicit conduct, conspiracy to commit money laundering, conspiracy to engage in financial transactions in amounts exceeding \$10,000, which are the proceeds of a specified unlawful activity.

Aliaksandr Boika, 29, Regpay's technical administrator, was arrested in Spain on July 31, 2003. He was successfully extradited to New Jersey in June 2004 after losing his battle to fight extradition. He is charged with conspiracy to advertise child pornography, conspiracy to transport and ship by computer visual depictions of minors engaging in sexually explicit conduct, conspiracy to commit money laundering, conspiracy to engage in financial transactions in amounts exceeding \$10,000 which were the proceeds of a specified unlawful activity.

The ongoing investigation is being conducted by Special Agents of U.S. Immigration and Customs Enforcement, the Internal Revenue Service Criminal Investigation section, and Postal Inspectors of the U.S. Postal Inspection Service. Local law enforcement agencies in Ft. Lauderdale and Broward County, Florida, have made significant contributions to the case. Authorities in the United Kingdom, France, Spain, and Germany have also played a critical role in the ongoing investigation.

This case is being prosecuted by Carlos F. Ortiz and Kevin M. O'Dowd of the Criminal Division of the U.S. Attorney's Office for the District of New Jersey and Benjamin Vernia of the Child Exploitation and Obscenity Section of the Department of Justice.

ICE

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